

**Estimates Related to Broadcast-Only TV Households and Sets,
and DTV Households with Over-the-Air Digital Broadcast Reception
Capabilities**

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Overview

The information on the following pages is responsive to questions that were asked in the Public Notice issued on May 27, 2004 by the FCC Media Bureau seeking quantitative data on over-the-air broadcast television users.

The information herein represents a compilation and analysis of data that was collected in the Spring 2004 wave of the Knowledge Networks/SRI *Home Technology Monitor* survey. The National Association of Broadcasters, as a subscriber to this survey, requested that a series of questions be included in this survey on the specific subjects of Broadcast-Only TV Households, Digital Television Set Ownership, and Over-the-Air Digital Television Reception Capability, among other topics. Data on these technologies that was collected from this survey were applied to Nielsen Media Research's 2003-04 U.S. Television Household estimates to calculate some of the figures contained in this report.

The number of households that rely solely on over-the-air broadcasting ("over-the-air households") for their television service.

Broadcast-Only TV Households

Total U.S. TV Households	108,410,160 ^a
% of U.S. TV Households that are Broadcast-only	<u>18.9%</u> ^b

1. Broadcast-Only TVHHs	20,489,520
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a) Source: Nielsen Media Research, *U.S. Television Household Estimates*, 2003-04.

b) Source: Knowledge Networks/SRI *Home Technology Monitor Survey*, Spring 2004.

The number of households that subscribe to an MVPD and have one or more television sets that rely on OTA broadcast service.

MVPD Homes with One or More Broadcast-Only Set

Total U.S. TV Households	108,410,160 ^a
% of U.S. TV Households that subscribe to an MVPD service	<u>81.1%</u> ^b

Total MVPD HHs	87,920,640
% of MVPD HHs with one or more OTA-only sets	<u>20.8%</u> ^b

2. Total MVPD HHs with one or more OTA-only sets	18,287,493
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a) Source: Nielsen Media Research, *U.S. Television Household Estimates*, 2003-04.

b) Source: Knowledge Networks/SRI *Home Technology Monitor Survey*, Spring 2004.

The number of analog-only television sets in use by the households identified in Questions 1 and 2; and the number of DTV sets capable of OTA reception in these HHs.

Total U.S. Television Sets

Broadcast-Only TVHHs	20,489,520
Mean no. of sets per Broadcast-only TVHH	<u>2.20</u> ^b
Est. Total Sets in Broadcast-only Homes	45,076,944
MVPD TVHHs	87,920,640
Mean no. of sets per MVPD TVHH	<u>2.75</u> ^b
Est. Total Sets in MVPD Homes	<u>241,781,760</u>
Est. Total Sets in All Homes	286,858,704

Digital Television/OTA Digital Set Penetration

Total U.S. TV Households	108,410,160 ^a
% of U.S. TVHHs with Digital TV Set	<u>5.9%</u> ^b
Est. Total U.S. DTV Sets *	6,396,199
% of DTV HHs with Digital OTA reception capability	<u>22.9%</u> ^b
Est. Total U.S. DTV Sets capable of OTA reception *	1,464,730
% of OTA capable DTV HHs that are Broadcast-only HHs	<u>12.1%</u> ^b
Est. OTA capable DTV sets in Broadcast-only HHs *	177,232
% of OTA capable DTV HHs that have MVPD service	<u>87.9%</u> ^b
Est. OTA capable DTV sets in MVPD HHs *	1,287,498
% of MVPD OTA capable DTV HHs with one or more Broadcast-only sets in the home	<u>29.3%</u> ^b
Est. OTA capable DTV sets in MVPD HHs with one or more Broadcast-only sets in the home *	377,237

4. Est. Total OTA capable DTV sets in HHs that are either Broadcast-only or are MVPD subs with one or more Broadcast-only sets in the home *	554,469
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* Assumes one DTV set per DTV HH, an assumption consistent with the view that repeat purchasing in the early lifecycle stages of new consumer electronics is minimal. See eBrain Consumer Research, *2004 HDTV Research: Exploring Advertising Effectiveness, Debunking Consumer Confusion*, p. 7.

a) Source: Nielsen Media Research, *U.S. Television Household Estimates*, 2003-04.

b) Source: Knowledge Networks/SRI *Home Technology Monitor Survey*, Spring 2004.

Analog Sets in HHs with at Least One Broadcast-Only TV**Est. Total Sets in Broadcast-only Homes****45,076,944****Est. Total U.S. DTV Sets *****6,396,199****% of DTV sets (OTA capable or not) in Broadcast-only HHs****4.9%^b****Est. No. of DTV Sets in Broadcast-only Homes *****313,414****Est. No. of Analog-only Sets in Broadcast-only Homes *****44,763,530****Total MVPD HHs with one or more OTA-only sets****18,287,493****% of MVPD HHs w/one or more OTA-only sets and
DTV set (OTA capable or not)****7.2%^b****Est. No. of DTVs in MVPD HHs w/one or more OTA-only sets *****1,316,699****Total MVPD HHs with one or more OTA-only sets****18,287,493****Mean no. of sets per MVPD TVHH with one or more****3.40^b****Broadcast-only sets****Est. Total Sets in MVPD Homes with at least one
Broadcast-Only Set****62,177,476****Less: Est. No. of DTVs in MVPD HHs with at least one
Broadcast-only set *****1,316,699****Est. No. of Analog-only Sets in Households that are MVPD
subs with one or more Broadcast-only set in the home *****60,860,777****3. Est. No. of Analog-only Sets in Households that are
either Broadcast-only or are MVPD subs with one
or more Broadcast-only sets in the home *****105,624,307****Analog OTA Sets in MVPD HHs with One or More OTA-only Sets****Mean No. of Broadcast-only sets in MVPD HHs****0.32^b****% of MVPD HHs with at least One OTA-only Set****20.8%^b****Mean No. of OTA-only sets in MVPD HHs with at least
One OTA-only set****1.53846****Total MVPD HHs with one or more OTA-only sets****18,287,493****Est. No. of Analog OTA-only Sets in MVPD HHs with one or
more OTA-only sets ******28,134,576****Analog Sets in All HHs****Est. Total Sets in All Homes****286,858,704****Less: Est. Total U.S. DTV Sets *****6,396,199****Est. Total Analog Sets in All Homes****280,462,505**

* Assumes one DTV set per DTV HH, an assumption consistent with the view that repeat purchasing in the early lifecycle stages of new consumer electronics is minimal. See eBrain Consumer Research, *2004 HDTV Research: Exploring Advertising Effectiveness, Debunking Consumer Confusion*, p. 7.

** Assumes one DTV set per DTV HH, and assumes that DTV set is connected to MVPD service.

a) Source: Nielsen Media Research, *U.S. Television Household Estimates*, 2003-04.

b) Source: Knowledge Networks/SRI *Home Technology Monitor Survey*, Spring 2004.

Demographic Characteristics of "Over-the-Air" Households

<i>HH Characteristic</i>	<i>% of Group that is OTA HH</i>	<i>Index* vs. Total</i>
Total U.S. TVHHs	18.9	100
Race/Ethnicity:		
White	15.9	84
Black	23.0	122
Hispanic	27.7	147
Spanish Primary Language	43.2	229
Annual HH Income:		
<\$30,000	25.3	134
\$30-49,999	18.6	98
\$50,000+	9.5	50
\$75,000+	9.0	48
High Education Level w/in HH:		
HS or less	22.5	119
Some College +	16.7	88
Age of Head of HH:		
18-34	20.3	107
35-49	19.0	101
50+	16.5	87

*** Note:** The above table should be interpreted as follows: 18.9% of U.S. TVHHs are broadcast-only, while 25.3% of TVHHs with annual income below \$30,000 are broadcast-only. The index of 134 means the incidence of broadcast-only HHs among this group is 34 percent greater than it is with the general population. In contrast, the index of 48 among the \$75,000+ annual HH income group means the incidence of broadcast-only HHs among this group is 52 percent less (100 – 48) than it is among the general population.

Geographic Characteristics of "Over-the-Air" Households

<i>County Size *</i>	<i>% of Total U.S. OTA HHs</i>	<i>% of Total U.S. HHs</i>
"A" Counties	40.3%	35.7%
"B" Counties	28.0%	30.8%
"C" Counties	16.5%	17.2%
"D" Counties	<u>15.2%</u>	<u>16.3%</u>
Total	100	100

** Note : County classifications are based on Census Household counts and metropolitan proximity.
"A" counties are heavily populated, highly urbanized areas, while "D" counties are considered very rural.*

Source: Knowledge Networks/SRI Home Technology Monitor Survey, Spring 2004.

<i>U.S. Census Region</i>	<i>% of Total U.S. OTA HHs</i>	<i>% of Total U.S. HHs</i>
Northeast	10.9%	19.5%
Midwest	26.4%	24.4%
South	34.8%	34.9%
West	<u>27.8%</u>	<u>21.3%</u>
Total	100	100

Source: Knowledge Networks/SRI Home Technology Monitor Survey, Spring 2004.